

ADAMS COUNTY RETIREMENT BOARD MEETING

**MINUTES - REGULAR MEETING
4430 SOUTH ADAMS COUNTY PARKWAY
CONFERENCE CENTER – PLATTE RIVER B
BRIGHTON, COLORADO 80601-8202**

MAY 7, 2013

BOARD MEMBERS PRESENT

Joe Pacyga – Chairman
Ben Dahlman – Vice-Chairman
Michael McIntosh – Secretary
Marlise Bruno

BOARD MEMBERS EXCUSED

Brigitte Grimm –Treasurer

ADMINISTRATIVE STAFF

Pamela Mathisen, Executive Director
Debbie Haines, Senior Benefits Manager (Corresponding Secretary)

ACTUARIAL STAFF

None

LEGAL COUNSEL

Davis Graham & Stubbs, LLP – Vicki Johnson

INVESTMENT CONSULTANTS

Watershed Investment Consultants – Dale Connors

OTHER ATTENDEES

Dimensional Fund Advisors – Grady Smith, Jessica Walton
Denver Investments – Ken Harris
Grosvenor Capital Management – Mark Roman, Andrew Preda
Mesirow Financial – Dan Howell
T. Rowe Price – David Orlando
Tortoise Capital Advisors – Abel Mojica
CliftonLarsonAllen – Bill Petri – 3:27 P.M.
CliftonLarsonAllen – Steve Shanks – 3:27 P.M.
Rangeview Library District – Susan Dobbs

Called to Order: 1:35 P.M.

SPECIAL PRESENTATION

Roundtable Panel Discussion

The Board of Retirement had a roundtable discussion with six of its money managers. The following money managers were in attendance Dimensional Fund Advisors, Denver Investments, Grosvenor Capital Management, Mesirov Financial, T. Rowe Price and Tortoise Capital. Each money manager was given 10 to 15 minutes to provide the Board with their firm's global perspectives.

After all of the money managers made their presentations there was a question and answer session. Discussion included rate of return, inflation and the global economy.

Recess at 3:20 P.M.

Reconvened at 3:27 P.M.

Members present:

Ben Dahlman

Joseph Pacyga

Michael McIntosh

Pam Mathisen

Debbie Haines

Vicki Johnson

Dale Connors

Susan Dobbs – Rangeview Library District

Bill Petri – CliftonLarsonAllen

Steve Shanks - CliftonLarsonAllen

Davis Graham & Stubbs, LLP

Legal Information Updates

Ms. Johnson indicated that Davis Graham & Stubbs had given a draft of the Adams County Retirement Plan Document to the Retirement staff for review. She stated that the Plan document had been revised with the Plan changes effective January 1, 2014, the required modifications from the IRS and the language regarding the civil union legislation. Ms. Johnson there may be other changes to the Plan document regarding the civil union legislation after further review by Ms. Birley.

SPECIAL PRESENTATION

2012 Financial Statements and Management Letter – CliftonLarsonAllen

Mr. Bill Petri & Mr. Steve Shanks were present to present the December 31, 2012, Financial Statements and Management Letter Report for the Adams County Retirement Plan. Mr. Petri indicated that CliftonLarsonAllen expressed a clean opinion on the financial statements.

The Plan closed 2012 with a net position of \$199,741,510 compared to \$181,624,022 in 2011. The total net position held in trust for pension benefits increased by \$18,117,488 in 2012 or an increase of 9.98% compared to a decline of \$3,410,971 or 1.88% in 2011, primarily as a result of the global stock market fluctuations.

Mr. Petri stated that as of January 1, 2012, the date of the Plan's last actuarial valuation, the funded status on an actuarial value for the Adams County Retirement Plan was 54.3% compared to a funded status of 57.4% as of January 1, 2011.

Mr. Petri finished by presenting the SAS 114 letter. This letter is provided to the Board with information about significant matters related to the audit of the financial statements of Adams County Retirement Plan for the year ended December 31, 2012.

Mr. McIntosh moved to accept the 2012 Financial Statements and Management Letter presented by CliftonLarsonAllen. Ms. Bruno seconded the motion and it was unanimously carried.

EXECUTIVE SESSION

None

EMPLOYEE/RETIREE CORRESPONDENCE

None

REGULAR BUSINESS SESSION

Consent Agenda: Distributed by E-Mail

Approval of Board Meeting Minutes – April 2, 2013

Approval of Termination Report – April 2013

Approval of Money Manager Fund Totals and US Bank Summary Reports – March 2013

Approval of Administrative Expenditures – May 7, 2013

Expenditures - \$ 107,459.51

April Paid Expenditures \$ 797.85

Moved by Board Member – Mr. McIntosh

Seconded by Board Member – Mr. Dahlman

Mr. Dahlman commented that the IRS Publication 1542 that was used for Ms. Mathisen's travel is no longer being used and that the staff should check the gsa.gov website for updated information. Ms. Haines responded saying that she verified with Ms. Markley in the Purchasing Department and she indicated that the chart had not been updated and the staff should continue to use the chart, effective October 1, 2010 – September 30, 2011. Ms. Mathisen stated that the staff would clarify with Ms. Markley.

Unanimously carried

UNFINISHED BUSINESS

None

NEW BUSINESS

Watershed Investment Consultants, Inc. – Dale Connors 1st Quarter Performance Evaluation

Mr. Connors presented the Investment Performance Evaluation for the 1st Quarter of 2013. He indicated that the 1st Quarter of 2013 was tremendous for stocks. He stated that stocks were double digits in the U.S. but not as strong overseas with negative returns in the emerging markets. Mr. Connors indicated that the Adams County Retirement Plan started 2013 at \$199,887,364 and ended the 1st quarter at \$206,943,107. He stated that the Plan is moving in the right direction. Mr. Connors indicated that the Plan was 4.53% net of fees for the 1st quarter of 2013.

Mr. Connors asked the Board members if they found the money manager roundtable discussion still useful? Mr. Dahlman responded that he still liked hearing the different views of each of the money managers. Mr. Dahlman indicated he especially enjoyed the interaction between the managers.

STANDING REPORTS

Retirement Staff – Administrative Business Administrative Updates

Retirement Website Redesign

Ms. Haines indicated that three of the five Board members had taken their pictures for the Retirement website. She stated that she was finishing the language for the website and hopes to have the site in production within the next two weeks.

PensionGold National User's Group Conference April 11 & 12, 2013, Austin, Texas

Ms. Mathisen informed the Board that she attended the PGNUG held in Austin, TX on April 11 & 12, 2013. She indicated that the overall conference was good with 18 attendees attending the conference representing 10 organizations. Ms. Mathisen indicated that most of the Plans are doing some sort of rewrite to their Retirement Plans.

OTHER BUSINESS

Mr. Pacyga indicated that he had received two letters from the International Society of Certified Employee Benefit Specialists congratulating Ms. Haines and Ms. Mathisen on their CEBS certification.

Ms. Mathisen asked Mr. McIntosh if he is still hearing rumblings from the personnel at the Sheriff's office with regards to the Plan Changes effective January 1, 2014. Mr. McIntosh indicated that at the last FOP meeting there was still discussion on whether they were going to sue the Retirement Plan. Ms. Mathisen indicated that the Retirement staff is always available to talk with participants to help them understand the changes and how it affects them.

The Regular Board Meeting adjourned at 4:43 p.m.

Respectfully submitted,

Debbie Haines, Senior Benefits Manager
(Corresponding Secretary)

NEXT BOARD MEETING

TUESDAY, JUNE 4, 2013 –

**REGULAR BOARD MEETING
ADAMS COUNTY GOVERNMENT CENTER
4430 SOUTH ADAMS COUNTY PARKWAY
RETIREMENT CONFERENCE CENTER
BRIGHTON, COLORADO 80601-8202**